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SUPPORT

SPECIAL PROGRAMMES OF ASSISTANCE

Assistance to the Palestinian people

Report of the Administrator

SUMMARY

Recent developments in the Middle East have highlighted the work of the Programme of Assistance to the Palestinian People, which is reviewed in this document. Information is provided on programming, financial and project implementation matters, with particular reference to performance in 1990 and planning for the immediate future.

I. STATUS OF THE PROGRAMME

1. Since its modest start in 1980, in response to General Assembly resolution 33/147 of 20 December 1978, the Programme of Assistance to the Palestinian People has progressively become a leading provider of development assistance for the benefit of the Palestinian inhabitants of the occupied West Bank and Gaza Strip.

2. While initially the assistance was largely concentrated on the sectors of health and education, coverage steadily widened to encompass basic infrastructure such as water supply and sanitation, and other large-scale projects in agriculture, industry, commerce and human resources development. The Programme has in recent years comprehensively addressed the complex issues of economic development and self-sufficiency. In this respect, the last 12 months have been particularly significant, as they saw the launching of a number of important new projects in fields crucial to the future economy of the occupied Palestinian territories.

3. In spite of rising tension and political turmoil, including complications resulting from the situation in the Gulf, programme delivery in 1990 jumped to a record level of $11.7 million, more than three times the level for 1989.

4. Recent political events have re-emphasized the importance of employment generating activities. At the urgent request of the Secretary-General of the United Nations, the Director of the Programme led an inter-agency mission to the occupied Palestinian territories in May 1991, in order to prepare an extensive portfolio of employment generating projects for consideration by the donor community. Other participating United Nations organisations are the United Nations Secretariat, the International Labour Organisation (ILO), the World Food Programme (WFP), and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

5. The Palestinian people in the territories warmly support the Programme. The strict adherence to the consultative process with all parties concerned, as provided for by the Governing Council, has been pursued to their satisfaction and to the benefit of the Programme itself.

II. FINANCIAL SUPPORT

6. The Governing Council has made the following allocations from Special Programme Resources (SPR):

	(dollars)
Second cycle (1980-1981)	3.5 million
Third cycle (1982-1986)	10.0 million
Fourth cycle (1987-1991)	12.0 million
Fifth cycle (1992-1996)	15.0 million

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7. The allocation for the fourth programming cycle has been totally committed, and a healthy pipeline of projects is being developed for the fifth programming cycle.

8. In addition to SPR allocations, the Programme has benefited from multi-bilateral contributions and cost-sharing arrangements for a number of specific projects. The totals of pledged contributions by donor, as at March 1991, are as follows:

Donor	Amount (thousands of dollars)
Arab Gulf Programme for United Nations Development Organizations (AGFUND)	1 000
Canada	400
Greece	80
Italy	11 500
Japan	5 000
Jordan	457
Tunisia	48
United States of America	1 000

Recent contacts with these and other potential donors have shown good prospects for additional multi-bilateral contributions to the Programme.

9. The Administrator wishes to express his appreciation for the financial support which Governments and institutions have been providing to the Programme through UNDP core resources as well as additional contributions.

III. PROJECT HIGHLIGHTS

10. Since June 1990, when the Administrator last reported to the Governing Council on the activities of the Programme, implementation of all the new projects described in that report (DP/1990/84) has started. Significant developments are described in the following paragraphs.

11. The Business Development Centre is now fully operational. Several management and technical training sessions have been implemented and feasibility studies for new business ventures have been carried out.

Arrangements for the credit operations are being worked out, and the system is expected to be in place in the near future. Requests for management and technical advice, training and credit are flowing in as the centre has rapidly become an important focal point for private sector development.

12. Construction of the citrus processing plant has now started in the Gaza Strip after some delay, owing to the curfew imposed on the area as a result of the Gulf crisis. Completion of the work is now expected for the latter part of 1992, subject to availability of funds. The plant will have a capacity of 15 tons per hour.

13. Also in Gaza, construction of a vegetable grading and packing facility will soon be launched. It will have the capacity to handle 7 to 8 tons of vegetables per shift. This facility is particularly important for the direct export of Palestinian produce.

14. The Nablus Industrial Zone, which will include important cold storage facilities, is now almost ready. It will allow existing light industries to move away from residential areas and will facilitate the creation and operation of new ones.

15. In the agricultural field, final details have been worked out for the installation of modern irrigation equipment and systems in the Gaza Strip by mid-year. The purpose of the project is to increase agricultural production and productivity while at the same time optimizing the use of water.

16. Work on the installation of a sewage collection network in the Jabalya refugee camp is now well under way, and a technical assistance project to train maintenance personnel for the local sewerage system has been started in Gaza.

17. Two important horticultural projects, which have been the subject of intensive study for sometime, will shortly be implemented. A marketing services centre for horticultural products will be established on the West Bank, with the active assistance of the International Trade Centre (ITC), while construction will start on a grape processing plant previously delayed by financing difficulties.

18. Finally, the Administrator is pleased to report that, after lengthy delays, clearance has been received for the implementation of a poultry hatchery project and for the undertaking of a feasibility study in regard to a fishing and commercial port in Gaza.

IV. FUTURE DIRECTIONS

19. As a result of the recent developments in the Middle East, the economic situation in the occupied Palestinian territories has worsened dramatically. At the same time, it has become increasingly difficult for Palestinians to find employment in Israel. Trapped between a dramatic drop in remittances

from family members living abroad, a structural lack of jobs in the territories, and employment restrictions in Israel, a large proportion of the Palestinians of the occupied territories have nowhere to turn except to short-term emergency assistance. In these circumstances, the building of a self-sufficient economy in the occupied territories has become of utmost urgency.

20. The inter-agency mission described in paragraph 4 above will be the first important step in this direction. It will be followed by a longer-term effort for the identification, formulation, resource mobilization and implementation of projects which will serve as the basis for a dynamic and self-sustaining economy in the occupied Palestinian territories. The majority of the projects currently under implementation are already playing an important role in this respect.

21. The $15 million allocated to the Programme from SPR for the fifth programming cycle (1992-1996) will allow it to finance a core programme which can serve as the focal point for much broader development activities to be identified and formulated by UNDP. The responsiveness of donor Governments and their willingness to complement UNDP resources with multi-bilateral funding will expand the impact of the Programme of Assistance to the Palestinian People.